

EMPLOYER STATUS DETERMINATION
Montana Western Railway Company

JUL 14 2006

This is the decision of the Railroad Retirement Board regarding the continued status of the Montana Western Railway Company as an employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA).

Montana Western was held to be an employer under the Acts effective September 15, 1986, (B.A. Number 3653). Montana Western sold its rail line to BNSF on July 25, 2003, and continued to operate the line for BNSF until August 8, 2003. Montana Western maintained two employees to wrap up account receivables, account payables, and other matters. All business activity ceased on July 29, 2005. The corporation was dissolved in October 2005. A Surface Transportation Board decision dated June 26, 2003, approved the acquisition by BNSF (STB Finance Docket No. 34330).

Section 202.11 of the Board's regulations provides that:

The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

Through the cessation of operations, Montana Western has lost the characteristics essential to the existence of an employer status. Accordingly, the Board holds that Montana Western ceased to be an employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective with the close of business on July 29, 2005.

Original signed by:

Beatrice Ezerski
FOR THE BOARD
Secretary to the Board